



What You Need to Know About...Genetic Testing and Life Insurance Underwriting

Our society's ever-increasing emphasis on healthy living and longevity has rapidly sparked an interest in direct-to-consumer genetic testing kits from companies such as 23andMe and Ancestry. Also, recent scientific breakthroughs have encouraged the use of genetic testing in the medical field, especially in treating patients who may have increased genetic predispositions to certain diseases. Consequently, our carriers see increased genetic testing results within their applicants' medical files. This guide explains how life insurers underwrite clients who have completed genetic testing.

What are the most common genetic tests seen in medical files?

The most common genetic test result is the breast cancer gene (BRCA) test. The gene is broken down into two genes known as BRCA1 and BRCA2. Other genetic test results commonly found in records that carry a strong hereditary component include:

- Lynch syndrome—an inherited condition that increases your risk of colon cancer, endometrial cancer, and several other cancers¹
- Huntington's disease—a progressive brain disorder caused by a defective gene²
- Polycystic kidney disease—an inherited kidney disorder that causes fluid-filled cysts to form in the kidneys³

Who at the carrier ultimately decides what risk class is assigned to a client who has had genetic testing?

While some carriers rely on the information in reinsurance manuals to assess the outcome, several carriers refer these cases to their medical directors or specialty risk assessment departments within their company for additional input and feedback due to the complexity inherent in underwriting these files.

What other factors come into play in the decision-making process when a carrier is faced with genetic results in an individual's medical records?

Genetic testing is not underwritten in a vacuum. Most carriers underwrite clients who have had genetic testing on a case-by-case basis, taking into account several additional factors, including the client's age, gender, tobacco history, family history, personal medical history, lifestyle choices, frequency of follow-up with a physician, and the results of any completed diagnostic testing.

When do carriers ask for genetic testing results and/or additional medical information based on discovering genetic testing details in an applicant's medical records?

While there are currently no carriers that we know of who directly ask a client if genetic testing has been completed, medical data that includes genetic testing is often requested by carriers as the result of a client's response to questions on the insurance



application, non-medical form, or paramedical exam. It is worth noting that some carriers are now expanding their paramedical exams to include questions about not only the usual family histories of cancer, cardiac disease, and diabetes but also any family history of Huntington's, Alzheimer's, or polycystic kidney disease diagnosed at any age. When faced with a client who has had genetic testing completed, life insurance carriers will ask for additional information, including, but not limited to, any diagnostic testing and/or lab results completed concerning the particular impairment.

What states have regulations and restrictions limiting a life insurance carrier's use of genetic test results in rendering an underwriting decision?

While there are currently no Federal laws regulating the use of genetic testing results in the life insurance underwriting process, several states have enacted laws restricting the use of genetic data. The statutes vary widely, with some states only covering certain impairments. In contrast, others take a broader view and limit genetic testing results unless supported by the applicant's medical condition, medical history, and/or claims experience. Carriers often find it necessary to consult their legal departments to determine whether or not an applicant's genetic testing results can be utilized as a part of the final underwriting decision, dependent on the state of sale. [Click here](#) for a complete list of the legislation available on using genetic testing in life insurance.

How does genetic testing affect life insurance applicants?

The underwriting of life insurance files containing genetic testing results is a complex and involved process. Several factors can come into play when a life insurance carrier underwrites an applicant who has had genetic testing completed, including who makes the ultimate medical decision, the influence of additional medical components, and the impact state regulation of genetic testing information can have on the final offer. When underwriting a client who has had genetic testing, life insurance carriers must have access to all positive and negative information to price each individual accurately, comparable to the risk they pose.



For more information on how life insurers underwrite genetic testing and which carrier may best fit your clients, contact your Crump underwriter.

¹ Lynch syndrome - Symptoms and causes. (2020, March 26). Mayo Clinic. <https://www.mayoclinic.org/diseases-conditions/lynch-syndrome/symptoms-causes/syc-20374714>

² Huntington's disease. (n.d.). Alzheimer's Disease and Dementia. <https://www.alz.org/alzheimers-dementia/what-is-dementia/types-of-dementia/huntington-s-disease>

³ Phillips, N. (n.d.). What is polycystic kidney disease? Healthline. <https://www.healthline.com/health/polycystic-kidney-disease>